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Company Examinations

REPORT ON EXAMINATION
OF THE
TITLE INSURANCE COMPANY OF AMERICA

MAIN ADMINISTRATIVE OFFICE AND PRIMARY LOCATION
OF BOOKS AND RECORDS:

101 GATEWAY CENTRE PARKWAY
RICHMOND, VIRGINIA 23235

AS OF
DECEMBER 31, 2003

THE DEPARTMENT OF COMMERCE AND INSURANCE
STATE OF TENNESSEE
NASHVILLE, TENNESSEE

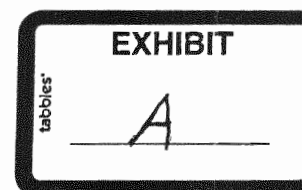


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Richmond, Virginia
October 7, 2004

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National Association of Insurance Commissioners
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Honorable Paula A. Flowers
Commissioner
Department of Commerce and Insurance
State of Tennessee
500 James Robertson Parkway
Nashville, Tennessee 37243

Dear Commissioners:

Pursuant to your instructions and in accordance with the Tennessee Insurance Laws, regulations, and resolutions adopted by the National Association of Insurance Commissioners (NAIC), a financial examination and market conduct review has been made concerning the condition and affairs of

TITLE INSURANCE COMPANY OF AMERICA
MEMPHIS, TENNESSEE

hereinafter generally referred to as the Company, and a report thereon is submitted as follows:

SCOPE OF EXAMINATION

This examination was called by the Commissioner of Commerce and Insurance of the State of Tennessee through the Examination Tracking System of the NAIC and commenced on February 2, 2004. The examination was conducted under the association plan of the NAIC by examiners from the State of Tennessee.

The examination was conducted at the office of the Company's ultimate parent, LandAmerica Financial Group, Inc. in Richmond, Virginia where all books and records are located. The period covered by this examination is from January 1, 1999, to the close of business on December 31, 2003, and includes any material transactions and/or events occurring subsequent to the examination date and noted during the course of the examination.

The examination of the financial condition of the Company was conducted in accordance with guidelines and procedures contained in the NAIC Examiners Handbook.

During the course of examination, assets were verified and valued and liabilities were determined or estimated as of December 31, 2003. The Company's financial condition and its degree of solvency were thereby established. Test checks, covering selected periods, were made of income and disbursement items and a general review was made of the Company's operations, practices and compliance with statutes, to the extent hereinafter set forth.

All asset and liability items contained in the financial statement of this report were examined and verified with relative emphasis according to their amounts and potential impact on surplus as regards policyholders. Additionally, an examination of the following items was made:

Company History	Charter and Bylaws	Management and Control
Corporate Records	Holding Company Structure	Fidelity Bond/Insurance
Employee Benefits	Territory	Plan of Operation
Loss Experience	Market Conduct Activities	Reinsurance
Actuarial Review	Statutory Deposits	Subsequent Events
Accounts and Records	Commitments/Contingencies	Pecuniary Interest

In the interest of making the examination more efficient, certain audit work performed by the Company's independent auditors was relied on.

The previous examination of the Company was made as of December 31, 1998, and resulted in a \$423,901 decrease in surplus. No recommendations were made as a result of non-compliance with regulatory requirements.

COMPANY HISTORY

The Company was incorporated on January 30, 1934, as Commerce Title Guaranty Company (Commerce Title), under the statutes of the State of Tennessee and commenced business the same year. Provision was made in the original charter for authorized capital of \$1,000,000 consisting of 5,000 shares of 6% cumulative preferred stock with a par value of \$100 per share and 5,000 shares of common stock with a par value of \$100 per share. Charter amendments later changed the authorized capital to \$1,200,000 consisting of 60,000 common shares with a par value of \$20 per share.

On December 29, 1978, Commerce Title was merged with Mid-South Title Company, Inc., a Tennessee corporation, with Commerce Title as the surviving corporation. The charter of Commerce Title was then amended changing the name to Mid-South Title Insurance Corporation (the Company). The charter amendment also reduced the number of authorized shares of capital stock to 400 shares with a par value of \$3,000 each. Two hundred shares were issued as treasury stock as all of the outstanding stock of Commerce Title had been repurchased. The remaining 200 shares were then issued to the stockholder of the Company, Commerce Title Guaranty Company (formerly MST Holding Company), who became the sole owner. Commerce Title Guaranty Company is a subsidiary of Lawyers Title Insurance Corporation (LTIC), Richmond, Virginia. On February 27, 1981, the 200 shares of treasury stock issued at the time of the merger were canceled.

During 1988, paid in and contributed surplus was increased by \$2,035,000 to a total balance of \$3,549,233, as a result of a donation from the parent,

Commerce Title.

Effective January 1, 1990, LTIC consolidated the various subsidiaries owned by or through the Company. The purpose of the reorganization was to reduce administrative overhead and increase efficiency by converting the Company and its subsidiaries to direct operations of LTIC.

Under the terms of the letter of reorganization, LTIC first made available to Commerce Title, the direct parent, funds to retire approximately \$600,000 in debt it owed the National Bank of Commerce. Upon retirement of that debt, Commerce Title was dissolved, leaving the Company as a first tier subsidiary of LTIC. The stock of Lawyers Title of Baton Rouge was passed from the Company to LTIC and it became a separate, direct subsidiary of LTIC. All other direct and indirect subsidiaries of the Company were then liquidated and the assets passed on to the Company. Many of those subsidiaries and corporations would remain as shells in order to protect the name in their states of operation.

After these steps were taken, all of the employees of the Company became employees of LTIC. All of the operating assets of the Company were distributed to LTIC, which then operated these offices as branches of LTIC. These branch offices retained some local identity by operating as divisions of LTIC under the old company names. The title plants remaining with the Company are leased to LTIC in consideration of its assumption of all maintenance responsibilities. The net effect of these transactions was a reduction of surplus to \$488,000.

The Company stopped writing business as of January 1, 1990, but continued to exist in order to service all policies issued and in-force prior to the

reorganization. No new direct business was written from January 1, 1990 to November 30, 1995. Effective May 30, 1995, the Company's charter was amended whereby the par value of the 400 authorized capital shares were increased to \$7,500 per share.

Effective December 1, 1995, Title Insurance Company of America (TICA), a Texas corporation and subsidiary of Title Investors Group, Inc., and the Company merged with the Company being the surviving corporation. Immediately prior to the merger, LTIC, the sole shareholder of the Company, contributed its shares of the Company to Title Investors Group, Inc., which is also a wholly-owned subsidiary of LTIC.

The merger was made pursuant to "Articles of Merger" (Articles) approved by the Tennessee Department of Commerce and Insurance on November 29, 1995, and filed with the Tennessee Secretary of State on the same date. A "Plan of Merger and Reorganization" (Plan) was also attached to the Articles. Pursuant to the Plan, the name of the Company changed to Title Insurance Company of America and the maximum number of shares the corporation shall have the authority to issue is 400 shares with a par value of \$4,361 per share.

Following the merger, the Company began actively writing business and pursuing licensing in additional states. On February 27, 1998, Lawyers Title Corporation, the ultimate parent, changed its name to LandAmerica Financial Group, Inc. There were no changes to the Company's charter or bylaws during the period covered by this examination. At December 31, 2003, the authorized capital stock was 400 shares of common capital stock with a par value of \$4,361 per share of which 344 shares were outstanding.

The Company is engaged principally in the title insurance business. Title policies are insured statements of the condition of title to real property, showing ownership as indicated by public records, as well as outstanding liens, encumbrances and other matters of record and certain other matters not of public record. The Company's business results from resales and refinancings of residential real estate and construction and sale of new housing.

The Company's development, as taken from annual statement filings since the previous examination, is depicted in the following table:

<u>Date</u>	<u>Direct Premiums Written</u>	<u>Losses and LAE Incurred</u>	<u>Net Income</u>	<u>Admitted Assets</u>	<u>Total Liabilities</u>	<u>Capital & Surplus</u>
*12/31/98	7,934,252	117,147	445,594	13,185,616	4,161,428	9,024,188
12/31/99	10,187,617	185,395	245,949	13,506,370	4,162,081	9,344,289
12/31/00	12,479,277	249,691	900,441	11,168,895	3,662,372	7,506,523
12/31/01	12,515,021	222,290	340,559	10,820,594	3,761,536	7,059,058
12/31/02	14,916,333	841,691	628,781	11,298,864	3,769,792	7,529,072
12/31/03	20,229,844	392,478	1,040,084	13,333,098	4,170,280	9,162,818
*previous exam						

CHARTER AND BYLAWS

Charter:

The general provisions and powers enumerated in the Company's charter are usual in nature consistent with corporations of this type. The Company's charter states the purpose for which the corporation is organized as follows:

"The general nature of the business to be transacted by this corporation is to abstract, search, certify, examine and insure titles to real estate; to issue title certificates, tax certificates, lien certificates and certificates of title, and issue generally any and all documents relating or pertaining to the condition or character of land titles;

including but not limited to issuing policies of title insurance and/or guaranteeing titles to real estate for a consideration to be agreed upon by the parties.

To act as agent or representative of title guaranty companies or title insurance companies, legally authorized to do business in the State of Tennessee, domestic or foreign, and as such agent or representative to act in any manner, not inconsistent with the law of the land, designed to expedite, facilitate or encourage the development, improvement or sale of real estate, or the leasing, mortgaging, renting or evidencing the title thereto.

To act as trustee, intermediary or agent in deeds of trust, mortgages, trust indentures or in any conveyance of real or personal property; to receive and accept such instruments in its corporate name, and to execute the trusts so imposed, and to sell and convey under the terms and provisions of such instruments.

To investigate and examine real estate, and to issue, in its corporate name; certificates or other instruments as to its location, location of improvements thereon, easements, licenses, overlaps, servitudes, condition and occupancy thereon, and any and all matters or things which would be shown or revealed by inspection or survey of real estate.

To receive and accept notes, drafts, checks, money orders, bank exchanges, monies, instruments, property and evidences of title in escrow, and to hold, distribute and deliver the same to the parties in interest, in accordance with the terms and provisions of the contracts and agreements concerning, relating to, pertaining to or involving any legitimate business transaction.

Without derogation of any of the foregoing powers, the Corporation is authorized to do any and all things pertinent to its purposes that are consistent with and authorized by the powers granted to corporations generally pursuant to the Tennessee General Corporation Act."

Bylaws:

The bylaws of the Company are such as are generally found in

corporations of this type. They are consistent with the charter and contain no unusual provisions. They provide for the regulation of the business and for the conduct of the affairs of the Company, the directors and the shareholders. The bylaws may be amended or repealed, or new bylaws may be adopted, at any meeting of the shareholders or of the Board of Directors at which a quorum is present, by the affirmative vote of the holders of a majority of the shares or the directors, as the case may be, present at such meeting.

There were no changes to the Company's charter or bylaws during the period under examination.

MANAGEMENT AND CONTROL

Management:

Management of the Company is vested in a Board of Directors which are elected annually by the stockholders. The number of directors of the Company shall be fixed from time to time by resolution, but in no case shall the number of directors be less than seven. The duly elected directors serving at December 31, 2003, were as follows:

<u>Name</u>	<u>Address</u>	<u>Occupation</u>
Janet A. Alpert	Midlothian, VA	President of LandAmerica; Chairman & CEO of Company
Kenneth Astheimer	Glen Allen, VA	Executive VP of Company
David D. Ginger	Travis, Texas	President of Company
William R. Purcell	Richmond, VA	Secretary of Company
Ronald B. Ramos	Midlothian, VA	Treasurer of Company
Janice D. Walton	Saluda, VA	VP of Company

The bylaws provide that the Board of Directors, by resolution passed by a majority of the whole Board, may designate from its members one or more committees, each of which shall be composed of one or more of its members, and may designate one or more of its members as alternate members of any committee. At December 31, 2003, the following committees were in place:

Executive Committee

Janet A. Alpert, Chairperson
David D. Ginger
William R. Purcell
Janice D. Walton
Kenneth Astheimer

Compensation Committee

Janet A. Alpert, Chairperson
David D. Ginger
Kenneth Astheimer

Internal Risk Committee

William R. Purcell, Chairman
Janet A. Alpert
David D. Ginger
Janice E. Carpi
Janice D. Walton
Josepha M. Prohaska

The Board of Directors will elect officers of the Company. The elected officers shall be a President and Secretary. The Board may also elect a Chairman of the Board, one or more Vice-Presidents, one or more Assistant Vice-Presidents, one or more Assistant Secretaries, a Treasurer, and one or more Assistant Treasurers. The duly elected officers of the Company at December 31, 2003, were as follows:

<u>Name</u>	<u>Office Held</u>
David D. Ginger	President
William R. Purcell	Secretary
Josepha M. Prohaska	Exec. VP
Kenneth Astheimer	Exec. VP
Phillip T. Wells	Exec. VP
Ronald B. Ramos	Sr. VP & Treasurer
John R. Blanchard	Sr. VP & Controller
Lyman C. Harrell, III	Sr. VP
Thomas R. Klein	Sr. VP
Janice E. Carpi	VP
Theodore N. Denslow, III	VP & Asst. Controller
J. Kevin Kelly	VP
Steve Taylor	VP
Janice D. Walton	VP
John T. Updegraff, Jr.	VP
Bobbie L. Houchins	Asst. VP
Donna P. Yenney	Asst. VP
Betty P. Hester	Asst. Secretary
Linda B. Jeffreys	Asst. Secretary
M. Dianne Tate	Asst. Secretary
Holly H. Wenger	Asst. Secretary

The Company has no employees of its own. Personnel and services are provided by LTIC, in accordance with an Employee Services Agreement as described in this report under the heading Holding Company Structure.

Directors and officers of the Company are required annually to complete a "Conflict of Interest Disclosure." The examiners reviewed the disclosures completed by the directors and officers and no exceptions were noted.

Pecuniary Interest:

A check for compliance with Tenn. Code Ann. §56-3-103 found that no director or officer of the Company had pecuniary interest in the investment or

disposition of Company funds.

Control:

At December 31, 2003, 100% of the outstanding shares of the Company were owned by Title Investors Group, Inc., the Company's parent. The following dividends were paid by the Company during the examination period:

<u>Year</u>	<u>Paid To</u>	<u>Amount</u>
1999	Title Investors Group, Inc.	\$ 50,381
2000	Title Investors Group, Inc	930,000
2001	Title Investors Group, Inc.	900,000

The above dividends were ordinary dividends that did not require approval.

CORPORATE RECORDS

The minutes of the meetings of the Stockholders and Board of Directors were reviewed for the period under examination. They were found to be complete as to necessary detail and appear to adequately reflect the acts of the respective bodies. The review of the minutes indicates that the previous examination report was reviewed by and all investment transactions were approved by the Board of Directors. There were no minutes of the meetings of any of the Company's committees.

HOLDING COMPANY STRUCTURE

An organizational chart of the Holding Company Structure is located at the end of this examination report. The following agreements between the Company and affiliates were in effect at December 31, 2003:

Services, Cost and Expense Agreement:

The Company entered into a Services, Cost and Expense Allocation Agreement with Lawyers Title Insurance Corporation (LTIC) effective September 1, 1998. Under the terms of the agreement, LTIC will provide to the Company the following services:

- Administrative services, including purchasing and leasing of office equipment.
- Legal services, including claims handling and underwriting, corporate and regulatory functions.
- Financial, accounting and internal audit, including accounts payable, banking, cash management, and income accounts.
- Advertising and public relations services and support.

If specific costs or payments are attributable to the Company, then those costs will be charged to the Company on a dollar for dollar basis. Otherwise, the costs for items or services will be proportionally allocated based upon a reasonable calculation of the Company's use of the items or services. Allocations shall be made quarterly and settled within 15 days of such allocation.

Pursuant to Tenn. Code Ann. §56-11-206(a)(2)(D), the above agreement was filed with the Tennessee Department of Commerce and Insurance on

October 20, 1998, and was deemed approved.

Consolidated Payroll and Accounts Payable Agreement:

The Company entered into Consolidated Payroll and Accounts Payable Agreement with LandAmerica Financial Group, Inc. (LandAmerica) effective September 1, 1999. Under the terms of the agreement, LandAmerica will provide to the Company the following services:

- Payroll – LandAmerica may, at the request of and on behalf of the Company, pay wages, salaries, benefits, worker's compensation insurance and related expenses and obligations for personnel employed by the Company. All such disbursements shall be repaid to LandAmerica on a dollar for dollar basis within seven working days.
- Accounts Payable – LandAmerica may at the request of and on behalf of the Company, handle accounts payable processing that arises in the ordinary course of the Company's business. All such disbursements shall be repaid to LandAmerica on a dollar for dollar basis within seven working days.

Pursuant to Tenn. Code Ann. §56-11-206(a)(2)(D), the above agreement was filed with the Tennessee Department of Commerce and Insurance on September 1, 1999, and was deemed approved.

Premium Concentration and Claims Payment Agreement:

The Company entered into a Premium Concentration and Claims Payment Agreement with LandAmerica Financial Group, Inc. (LandAmerica) effective September 1, 1999. Under the terms of the agreement, LandAmerica will provide to the Company the following services:

- Premium Concentration - LandAmerica may, at the request of and on behalf of the Company, accept premium deposits and perform revenue concentration services, including tracking, attribution, and cash management. Any premiums collected by LandAmerica will be held in a fiduciary capacity and paid to the Company at least monthly.
- Claims - LandAmerica may, at the request of and on behalf of the Company, pay claims losses and expenses. All such payments shall be repaid to LandAmerica on a dollar for dollar basis within seven days.

Pursuant to Tenn. Code Ann. §56-11-206(a)(2)(D), the above agreement was filed with the Tennessee Department of Commerce and Insurance on November 12, 1999, and was deemed approved.

Consolidated Federal Income Tax Liability Allocation and Payment Agreement:

The Company entered into a Consolidated Federal Income Tax Liability Allocation and Payment Agreement with LandAmerica Financial Group, Inc. (LandAmerica) dated March 1, 1998. The agreement is effective for tax years commencing July 1, 1998 and thereafter. LandAmerica will file a consolidated federal income tax return on behalf of all companies in the group and the actual consolidated tax liability of the group for any taxable year shall be allocated to members of the group by the separate return tax liability method. Any allocation to the Company shall be paid to LandAmerica within 90 days after the consolidated tax return is filed with the Internal Revenue Service. Should the Company incur a taxable loss and be entitled to a benefit, such amount shall be paid to the Company no later than 30 days after the return is filed.

Pursuant to Tenn. Code Ann. §56-11-206(a)(2)(D), the above agreement

was filed with the Tennessee Department of Commerce and Insurance on October 27, 1998, and was approved on December 16, 1998.

Employee Services Agreement:

The Company entered into an Employee Services Agreement with Lawyers Title Insurance Corporation (LTIC) effective January 4, 2002. Under the terms of the agreement, LTIC will provide to the Company the services of its employees

In consideration for the performance of services of the LTIC employees, the Company agrees to pay an amount equal to the actual cost of the services or as determined on a proportional allocation reasonably related to the Company's use of the services. Repayments of costs for services provided shall be made within seven working days after disbursement.

Pursuant to Tenn. Code Ann. §56-11-206(a)(2)(D), the above agreement was filed with the Tennessee Department of Commerce and Insurance on January 4, 2002, and was approved on January 23, 2002.

In addition to the above agreements, the Company is a party to a Reinsurance Pooling Agreement. See the Reinsurance section of this report for additional information.

FIDELITY BOND AND OTHER INSURANCE

The Company is insured under the following insurance coverages maintained by LandAmerica Financial Group at December 31, 2003:

Commercial Property	Commercial General Liability
Commercial Auto	Commercial Umbrella Liability
Excess Liability	Commercial Excess
Employment Practices Liability	Group Personal Excess Liability
Executive and Organization Liability	Directors and Officers Liability
Aircraft	Mortgagee Protection
Internet Media and Network	Workers Compensation and
Security Liability	Employers Liability
Fiduciary Liability	

In addition to the above coverages, the Company maintained its own fidelity coverage. The fidelity coverage is in excess of the suggested minimum amount per the NAIC Financial Condition Examiners Handbook. All of the above insurance policies are written by companies licensed to write in Tennessee.

EMPLOYEE BENEFITS

The Company has no employees of its own. Personnel services are provided by LTIC, in accordance with an Employee Services Agreement as described in this report under the heading Holding Company Structure.

TERRITORY

As of December 31, 2003, the Company was licensed to transact business in Alabama, Arizona, Arkansas, Colorado, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Nevada, New Mexico, Ohio, Pennsylvania, South Carolina, Tennessee, Texas and Virginia. Certificates of authority, for the various jurisdictions, were reviewed and

found to be valid. Additionally, a letter was sent to each state in which the Company does business inquiring about any non-compliance concerns. No material concerns were received. Premiums written during 2003, by state, are as follows:

State	Direct Premiums Written				Direct Premiums Earned	Direct Losses Paid	Direct Losses Incurred	Direct Losses Unpaid
	Direct Operations	Non-affiliated Agencies	Affiliated Agencies	Other Income				
Alabama	\$0	\$ 0	\$0	\$ 0	\$ 1,086	\$ 0	\$ 0	\$ 0
Arizona	0	0	0	0	13,027	0	0	0
Colorado	0	6,900,645	0	0	6,861,525	24,927	132,592	201,952
Florida	0	0	0	0	13,027	0	0	0
Georgia	0	116,202	0	0	120,556	3,245	3,400	3,000
Illinois	0	22,512	0	0	39,020	0	0	0
Louisiana	0	0	0	0	6,513	0	0	0
Mississippi	0	0	0	0	0	23,506	17,561	0
New Mexico	0	645,484	0	0	639,524	5,040	0	83,655
New York	0	0	0	0	1,159	0	0	0
No. Carolina	0	0	0	0	4,342	0	0	0
Ohio	0	0	0	0	0	167	(64,499)	0
So. Carolina	0	0	0	0	2,171	0	0	0
Tennessee	0	0	0	0	0	211	(22,309)	32,362
Texas	0	12,545,001	0	0	12,473,724	353,391	293,548	75,781
Virginia	0	0	0	12,107	12,580	0	0	0
Totals	\$0	\$20,229,844	\$0	\$12,107	\$20,188,254	\$416,487	\$360,293	\$396,750

Note: all other states and territories have zero (0) amounts

PLAN OF OPERATION

The Company operates principally in the title insurance business. Title insurance policies are insured statements of the condition of title to real property, showing ownership as indicated by public records, as well as outstanding liens, encumbrances and other matters of record. The Company's business results from commercial real estate activity, resales and refinancings of residential real estate and construction and sale of new housing. The Company's policies are issued through its agency network of approximately 100, consisting of both affiliate and independent agencies. The Company does not have any Managing General Agents or Third Party Administrators.

MARKET CONDUCT ACTIVITIES

A market conduct review of the Company was made concurrently with the financial condition examination. The following areas were covered by this review.

Advertising:

The Company maintains a website where persons can find general information about the company, find agents, and find links to various resources. The Company's printed advertising consists of brochures and pamphlets used for marketing by the agencies.

Underwriting:

All underwriting guidelines are maintained on LandAmerica's website. The website is very extensive and contains forms, laws and various articles on title insurance. Additionally, the Company maintains a website that contains underwriting bulletins and information for agents.

Rates and Policy Forms:

The last complete rate filing with the Tennessee Department of Commerce and Insurance was approved on August 31, 1998.

The Company utilizes the most current policy forms of the American Land Title Association.

Complaints:

The Company has written procedures on how complaints are to be handled. There were no complaints filed during the period under examination.

Claims:

All claims are handled by LTIC pursuant to a Services, Cost and Expense Allocation Agreement described in this report under the heading Holding Company Structure. LTIC maintains comprehensive claims handling procedures. A sample of open and closed claims reviewed during the examination indicated that claims were being paid in accordance with policy provisions and settlements were promptly made upon receipt of proper evidence of the Company's liability.

Privacy:

The Company has a written "Notice of Privacy Policy" which complies with Tenn. Comp. R. & Reg. §0780-1-72.

LOSS EXPERIENCE

The loss experience of the Company, since the previous examination, as reported in its annual statements, is as follows:

<u>Year</u>	<u>Losses and LAE Incurred</u>	<u>Premiums Earned</u>	<u>Loss Ratio</u>
1999	\$ 185,395	\$ 9,986,431	1.9%
2000	249,691	13,037,659	1.9%
2001	222,290	12,774,342	1.7%
2002	841,691	15,241,384	5.5%
2003	<u>392,478</u>	<u>20,188,253</u>	<u>1.9%</u>
Total	<u>\$1,891,545</u>	<u>\$71,228,069</u>	<u>2.7%</u>

REINSURANCE

On December 1, 1995, the Company entered into a "Reinsurance Pooling Agreement" with Lawyers Title Insurance Corporation (LTIC). The agreement, as amended August 23, 1999 and approved by the Tennessee Department of Commerce and Insurance on September 3, 1999, provides for the following:

The automatic participation of LTIC in policies issued by the Company. LTIC will reinsure the excess of the Company's primary retention, which is \$500,000. The maximum risk retained by the Company is the lesser of 50% of its policyholder surplus as shown on its most recently filed Annual Statement or the maximum amount of retention permitted under applicable state law. The maximum risk to be assumed by LTIC is \$10,000,000.

Under the assumption provision of this agreement, the Company agrees to assume, under all policies issued by LTIC in any state in which the Company is not licensed, the lesser of 50% of surplus or the maximum permitted under applicable state law; provided that the policy is issued through an agent that is both (1) affiliated with the Company or LTIC, and (2) an agent of the Company in at least one state. LTIC agrees to compensate the Company at a rate of not less than \$.35 per thousand of reinsurance assumed by the Company.

Additionally, the Company assumes reinsurance under facultative arrangements with affiliated title companies. The standard form of agreements used is the American Land Title Association (ALTA) Tertiary Facultative Reinsurance Agreement. Under the terms of the agreements, the ceding affiliate has assumed a title reinsurance risk and then has ceded a portion of the secondary loss risk (the tertiary loss risk) to the Company.

All of the reinsurance agreements mentioned above contain a standard insolvency clause. There were no treaties with any unusual provisions and all treaties provide for a transfer of risk.

INDEPENDENT ACTUARIAL REVIEW

An independent actuarial review was performed by Select Actuarial Services, Nashville, Tennessee. This included a review of the actuarial reports prepared by the Company's actuarial consultants and an assessment of the reasonableness of the methodologies and assumptions used in the projection of ultimate loss and loss adjustment expenses. Based on the results of the review, the carried reserves, as of December 31, 2003, falls somewhat above the midpoint of a reasonable range of estimates of the Company's liability.

STATUTORY DEPOSITS

The Company maintained the following deposits at December 31, 2003:

<u>Where Deposited and Description</u>	<u>Par Value</u>	<u>Statement Value</u>	<u>Market Value</u>
Alabama			
TN State, 4.8%, Due 5/1/10	\$ 100,000	\$ 100,326	\$ 100,326
Florida			
USTN, 6.5%, Due 8/15/05	110,000	112,247	118,663
Georgia			
VA Beach Ser A, 5.5%, Due 7/15/10	40,000	40,817	43,150
Illinois			
USTN, 7.0%, Due 7/15/06	525,000	535,809	588,000
Louisiana			
CD, 1.59%, Due 4/10/04	20,000	20,000	20,000

Nevada			
USTN, 4.75%, Due 5/15/04	200,000	200,569	204,560
New Mexico			
USTN, 7.0%, Due 7/15/06	110,000	112,265	123,200
South Carolina			
USTN, 7.0%, Due 7/15/06	125,000	127,574	140,000
Texas			
CD, 3.5%, Due 8/24/04	100,000	100,000	100,000
Virginia			
USTN, 7.25%, Due 5/15/04	<u>225,000</u>	<u>225,640</u>	<u>230,132</u>
Total – special deposits not held for the benefit of all policyholders, claimants, and creditors of the Company	<u>1,555,000</u>	<u>1,575,247</u>	<u>1,668,031</u>
Tennessee			
USTN, 7.25%, Due 5/15/04	550,000	551,346	562,322
USTN, 7.25%, Due 5/15/04	250,000	250,712	255,702
TN St, 4.8%, Due 5/1/10	100,000	100,326	100,326
USTN, 6.5%, Due 8/15/05	<u>100,000</u>	<u>102,043</u>	<u>107,880</u>
	1,000,000	1,004,427	1,026,230
Total – general deposits held for the benefit of all policyholders, claimants, and creditors of the Company	<u>1,000,000</u>	<u>1,004,427</u>	<u>1,026,230</u>
Totals	<u>\$2,555,000</u>	<u>\$2,579,674</u>	<u>\$2,694,261</u>

The above deposits were verified by direct correspondence with the regulating jurisdiction or the depository.

All deposits not meeting the liability threshold pursuant to Tenn. Code Ann. §56-1-405 were properly nonadmitted by the Company in their 2003 Annual Statement.

COMMITMENTS AND CONTINGENCIES

The Company conducts a major portion of its operations from leased office facilities under operating leases as follows:

<u>Lease Start</u>	<u>Term</u>	<u>Payment Terms</u>	<u>Payment Amount</u>
August, 2001	36	Monthly	\$ 3,452.72
July, 2001	36	Monthly	4,119.64

See the Subsequent Events section of this report for additional information on the Company's operating leases.

From the examination data made available, it appears that the only matters of law in which the Company was involved, during the period under review, were those arising out of the normal course of business and the outcome of such actions should not have a material effect on the financial position of the Company.

ACCOUNTS AND RECORDS

During the course of examination, such tests and audit procedures were made as were considered necessary, including substantial verification of postings, extensions and footings. General ledger trial balances were reconciled with copies of annual statements for the years 1999, 2000, 2001, 2002 and 2003.

The Company is in compliance with Tenn. Comp. R. & Reg. §0780-1-46 with respect to the custody of its securities.

Accounting records conform to generally accepted insurance accounting practices and appear to properly reflect the operations during the period under examination and the status of the Company at the date of examination.

The Company is audited annually by Ernst & Young, LLP, Richmond, Virginia. This current partner of the firm has been performing the annual audit of the Company since 1999; therefore, there is no violation as respects Tenn. Comp. R. & Reg. §0780-1-65.07(3).

SUBSEQUENT EVENTS

During the course of the examination it was discovered that a title plant the Company owned was sold in the mid 1990's. This title plant was never removed from the Company's books. On June 30, 2004 this title plant was written off. The amount of this title plant was \$460,860 and was not considered material to the financial statements as of December 31, 2003.

During 2004, the Company's operating leases for office facilities were terminated. The office facilities were relocated and a new operating lease was entered into. A 63 month lease for office space was entered into on May 15, 2004. The lease requires monthly payments of \$0 for the first 3 months and \$1,857.00 per month thereafter plus a proportionate share of taxes, insurance and operating expenses for the entire premises. The Company has a one-time option to terminate the lease effective on the last day of the 39th lease month.

FINANCIAL STATEMENT

There follows a statement of assets, liabilities and statement of income at December 31, 2003, together with a reconciliation of capital and surplus for the period under review, as established by this examination:

ASSETS

	<u>Assets</u>	Nonadmitted <u>Assets</u>	Net Admitted <u>Assets</u>
Bonds	\$ 11,620,959	\$ 1,234,282	\$10,386,677
Common stocks			
Cash and short-term investments	827,747	13,487	814,260
Other invested assets	85,000	85,000	0
Total cash and invested assets	<u>12,533,706</u>	<u>1,332,769</u>	<u>11,200,937</u>
Investment income due and accrued	173,868		173,868
Net deferred tax asset	889,290	836,096	53,194
Electronic data processing equipment and software	979		979
Furniture and equipment	7,114	7,114	0
Aggregate write-ins for other than invested assets:			
Title plants	2,023,881	119,761	1,904,120
Other miscellaneous assets	<u>7,834</u>	<u>7,834</u>	<u>0</u>
Totals	<u>\$15,636,672</u>	<u>\$ 2,303,574</u>	<u>\$13,333,098</u>

LIABILITIES, SURPLUS AND OTHER FUNDS

Known claims reserve	\$ 396,750
Statutory premium reserve	3,006,119
Supplemental reserve	350,881
Other expenses	65,728
Taxes, licenses and fees	78,412
Premiums and other considerations received in advance	188,761
Payable to parent, subsidiaries and affiliates	<u>83,629</u>
Total liabilities	<u>4,170,280</u>
Common capital stock	1,500,000
Gross paid in and contributed surplus	4,775,488
Unassigned funds	<u>2,887,330</u>
Surplus as regards policyholders	<u>9,162,818</u>
Totals	<u>\$13,333,098</u>

OPERATIONS AND INVESTMENT EXHIBIT
STATEMENT OF INCOME

<u>Operating Income</u>	
Title insurance and related income:	
Title insurance premiums earned	\$20,188,253
Other title fees and service charges	<u>12,107</u>
Total operating income	<u>20,200,360</u>
<u>Deductions</u>	
Losses and loss adjustment expenses incurred	392,477
Operating expenses incurred	<u>18,868,606</u>
Total operating deductions	<u>19,261,083</u>
Net operating gain or (loss)	<u>939,277</u>
<u>Investment Income</u>	
Net investment income earned	598,562
Net realized capital gains and (losses)	<u>4,426</u>
Net investment gain or (loss)	<u>602,988</u>
Net income before federal income tax	1,542,265
Federal income taxes incurred	<u>502,181</u>
Net income	<u>\$ 1,040,084</u>

RECONCILIATION OF CAPITAL AND SURPLUS FOR THE PERIOD UNDER EXAMINATION

Surplus as regards policyholders, December 31, 1998	<u>\$ 9,024,188</u>
Net income	245,949
Net unrealized capital gains or (losses)	(3,614)
Change in non-admitted assets	128,148
Dividends to stockholders	<u>(50,381)</u>
Change in surplus as regards policyholders for the year	320,102
Surplus as regards policyholders, December 31, 1999	<u>\$ 9,344,290</u>
Net income	990,440
Net unrealized capital gains or (losses)	(1,820,695)
Change in non-admitted assets	12,488
Dividends to stockholders	<u>(930,000)</u>
Change in surplus as regards policyholders for the year	<u>(1,837,767)</u>
Surplus as regards policyholders, December 31, 2000	<u>\$ 7,506,523</u>
Net income	340,559
Net unrealized capital gains or (losses)	37,092
Change in net deferred income tax	66,191
Change in non-admitted assets	(40,530)
Cumulative effect of changes in accounting principles	49,223
Dividends to stockholders	<u>(900,000)</u>
Change in surplus as regards policyholders for the year	<u>(447,465)</u>
Surplus as regards policyholders, December 31, 2001	<u>\$ 7,059,058</u>
Net income	628,781
Net unrealized capital gains or (losses)	(168,872)
Change in net deferred income tax	797,470
Change in non-admitted assets	<u>(787,365)</u>
Change in surplus as regards policyholders for the year	470,014
Surplus as regards policyholders, December 31, 2002	<u>\$ 7,529,072</u>
Net income	1,040,084
Net unrealized capital gains or (losses)	935,835
Change in net deferred income tax	(316,850)
Change in non-admitted assets	325,558
Change in supplemental reserves	(350,881)
Change in surplus as regards policyholders for the year	<u>1,633,746</u>
Surplus as regards policyholders, December 31, 2003	<u>\$ 9,162,818</u>

ANALYSIS OF CHANGES IN FINANCIAL STATEMENT AND COMMENTS
RESULTING FROM EXAMINATION

Although minor differences were found in various items, none were considered to produce a material effect on surplus funds either singly or in the aggregate.

COMMENTS AND RECOMMENDATIONS

Comments:

1. The Company's bylaws state that the number of Directors shall not be less than seven (7). At December 31, 2003, the Company had six (6) Directors due to the resignation of G. Bickford Shaw in May, 2003. This vacancy was not filled during the remainder of 2003 nor was it filled at the annual meeting of Stockholders in January, 2004.
2. The Company's bylaws state that committees shall be composed of members of the Board of Directors. At December 31, 2003, the Company's Internal Risk Committee had two persons who were not members of the Board of Directors.

Recommendations:

1. During the course of the examination it was noted that the Company entered into transactions (agreements) with affiliates prior to giving the Commissioner 30 days written notice (see pages 13-16). Although all the agreements were submitted to the Commissioner, it is recommended that in the future, the Company notify the Commissioner in writing of its intention to enter into transactions with any person in its holding company system at least 30 days prior thereto, in accordance with Tenn. Code Ann. §56-11-206(a)(2).

2. The following inaccuracies were found in the Company's 2003 annual statement:
- (a) on Schedule E - Part 3 – Special Deposits, the Company failed to properly list deposits in Florida, Illinois, and Nevada. These deposits should have been detailed in the section "Special Deposits NOT held for the benefit of all Policyholders, Claimants, and Creditors of the Company."
 - (b) on Schedule E – Part 3 – Special Deposits, the deposit in Tennessee should have been listed in the section "Special Deposits held for the benefit of all Policyholders, Claimants, and Creditors of the Company."
- Additionally, the Tennessee deposit was overstated by \$100,000. The Company erroneously listed STI Classic Fund-Prime MM as being on deposit; however, this could not be confirmed.
- (c) on Schedule E – Part 3 – Special Deposits, the fair value on Tennessee deposit, cusip 912827U83, was overstated by \$172,595
 - (d) on Schedule E – Part 3 – Special Deposits, the maturity dates on the Certificates of Deposits with Louisiana and Texas are incorrect.
 - (e) on Schedule DA – Part 1, the Company is reporting a \$42,821 investment in STI Classic Prime Quality MM Fund. This fund does not qualify as a short-term investment pursuant to the NAIC Accounting Practices and Procedures Manual SSAP 2 and Statutory Issue Paper No. 28, and the NAIC Purposes and Procedures of the Securities Valuation Office Manual Part 5, Section 3(g). This fund should be listed as a common stock investment.
 - (f) on Page 2, line 5, the Company incorrectly reported short-term investments as \$29,334. The correct amount should be \$42,821.
 - (g) on Schedule H – Part 1, the dates in column 4 are incorrectly shown as 12/31/2002 instead of 12/31/2003.

(h) on Schedule H, Part 3, the dates in columns 4 and 5 are incorrectly shown as 05/31/2002 instead of 05/31/2003.

(i) on Schedule H, Part 1, the Company is reporting a title plant which was actually sold in the mid-1990s.

(j) on Pages 2 and 3, the Company is not reporting uncollected premiums in accordance with SSAP No. 6 and Issue Paper No. 6 of the NAIC Accounting Practices and Procedures Manual. The Company is netting "Agents' balances receivable" with "Premiums received but not yet applied" and reporting the amount as "Premiums received in advance." The Company should report agents' balances receivable on Page 2, line 12.1 properly nonadmitting any amount over 90 days due. For premiums received but not yet applied, the Company should report these amounts as a liability write-in on Page 3, line 20 and describe as "Remittances not allocated."

Although none of the above inaccuracies produce a material effect on the financial statement, either singly or in aggregate, it is recommended that the Company comply with Tenn. Code Ann. §56-1-501(g) when completing its annual statement to alleviate discrepancies.

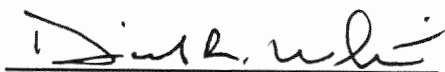
CONCLUSION

The customary insurance examination practices and procedures, as established by the National Association of Insurance Commissioners, have been utilized in connection with the verification and valuation of assets and the determination of liabilities in the financial statement of this report.

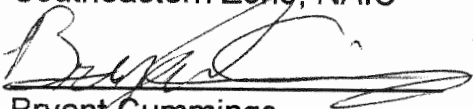
In such manner, it was determined that, as of December 31, 2003, the Company had net admitted assets of \$13,333,098 and liabilities, exclusive of capital, of \$4,170,280. Thus, there existed for the additional protection of the policyholders, the amount of \$9,162,818 in the form of paid-up capital, gross paid-in and contributed surplus and unassigned funds (surplus).

In addition to the undersigned, Mary Francis Miller, FCAS, MAAA, FCA of Select Actuarial Services, Nashville, Tennessee, participated in the work of this examination.

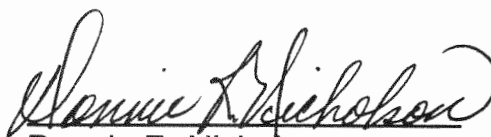
Respectfully submitted,



David R. White, CFE
Examiner-in-Charge
State of Tennessee
Southeastern Zone, NAIC



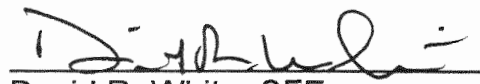
Bryant Cummings
Examiner II
State of Tennessee
Southeastern Zone, NAIC



Donnie R. Nicholson
Examiner III
State of Tennessee
Southeastern Zone, NAIC

AFFIDAVIT

The undersigned deposes and says that he has duly executed the attached examination report of Title Insurance Company of America dated October 7, 2004, and made as of December 31, 2003, on behalf of the Tennessee Department of Commerce and Insurance. Deponent further says he is familiar with such instrument and the contents thereof, and that the facts therein set forth are true to the best of his knowledge, information and belief.



David R. White, CFE
Examiner-in Charge
State of Tennessee
Southeastern Zone, NAIC

Subscribed and sworn to before me this

28th day of October, 2004

Notary Helen M. Dorsey

County Davidson

State Tennessee

Commission Expires 03/25/06

ORGANIZATIONAL CHART

Attached

Subsidiaries of LandAmerica Financial Group, Inc.

<u>LandAmerica Financial Group, Inc. (Direct subsidiaries in bold)</u>	State-of Incorporation or organization	% of Direct or Indirect Ownership
Beech Fly, LLC	Virginia	90%
Commonwealth Land Title Insurance Company	Pennsylvania	100%
Atlantic Title & Abstract Company	Delaware	100%
<i>ATACO, Inc.</i>	Pennsylvania	100%
CLTIC - RELO, Inc.	Pennsylvania	100%
<i>The Resource Alliance Group, Inc.</i>	Delaware	51%
<i>The Resource Alliance Limited Partnership</i>	New Jersey	49.5%
Commercial Settlements, Inc.	District of Columbia	100%
Commonwealth Land Title Company	California	100%
Commonwealth Land Title Company of San Antonio	Texas	100%
Commonwealth Land Title Company of Washington	Washington	100%
Commonwealth Land Title Corporation	Iowa	100%
Commonwealth Land Title Insurance Company of New Jersey	New Jersey	100%
Commonwealth Relocation Services, Inc.	Pennsylvania	100%
Commonwealth Title of Arizona	Arizona	100%
Congress Abstract Corporation	Pennsylvania	100%
Crestview Lawyers Service	New Jersey	100%
CRS Financial Services, Inc.	Pennsylvania	100%
DO Holding Company, Inc.	Delaware	100%
Edge Rock, Inc.	Delaware	100%
<i>Cornerstone Residential Title Agency</i>	Ohio	51%
<i>Residential Title Agency, LLC</i>	Ohio	21%
First Growth-Commonwealth Title Agency, LLC	New Jersey	50.10%
Golden State Title Company	California	100%
Goliath, Inc.	Pennsylvania	100%
<i>Goliath Four, L.P.</i>	Pennsylvania	100%
LandAmerica Albuquerque Title Company	New Mexico	100%
LandAmerica Appraisal Services, Inc.	Pennsylvania	100%
LandAmerica Capitol City Title Services, Inc.	New Mexico	100%
LandAmerica Commonwealth Title of Austin, Inc.	Texas	100%
LandAmerica Commonwealth Title of Dallas, Inc.	Texas	100%
LandAmerica Commonwealth Title of Fort Worth, Inc.	Texas	100%
LandAmerica Commonwealth Title of Houston, Inc.	Texas	100%
LandAmerica Partners Title Company	Texas	100%
LandAmerica Reinsurance Services, Inc.	Vermont	100%
LandAmerica Texas OneStop, Inc.	Texas	100%
LandIsrael A.C.K. Insurance Agency (2001) LTD	Israel	45%
Longworth Insured Title Agency, LLC	Ohio	51%
Louisville Title Company	Kentucky	100%
New York Land Services, Inc.	New York	100%
Osage Corporation	Pennsylvania	100%
Pikes Peak Title Service, Inc.	Colorado	100%
Plantco, Inc.	District of Columbia	100%
Portland Financial Services Corporation	Oregon	100%
Property Services, Inc.	Pennsylvania	100%
Rainier Title Company	Washington	100%
Southern Escrow and Title, LLC	Florida	20%
Residential Abstract, LLC	New York	51%
The National 1031 Exchange Corporation	California	100%

Subsidiaries of LandAmerica Financial Group, Inc.

	State of Incorporation or organization	% of Direct or Indirect Ownership
<u>LandAmerica Financial Group, Inc. (Direct subsidiaries in bold)</u>		
Title Guarantee Company of Rhode Island	Rhode Island	100%
Title Services, Inc.	Minnesota	100%
Geodata Research Systems, Inc.	Florida	100%
INFO1 Holding Company, Inc.	Delaware	100%
Info1 Credit Reporting, Inc.	Delaware	100%
Info1 Service Corp.	Delaware	100%
Inspectech, Inc.	Virginia	100%
LFG Processing Corporation	Virginia	100%
LandAmerica Alliance Company	Virginia	100%
Accelerated Title Agency, LLC	Michigan	50%
Accurate Transaction Services, LLC	Ohio	100%
Advantage Title, LLC	Michigan	25%
All Title Agency, LLC	Michigan	--
Alliance Transaction Services, LLC	Ohio	51%
Allied Title Agency of Michigan, LLC	Michigan	25%
America's Best Title Services, LLC	Ohio	51%
American Home & Land Title Agency, LLC	Michigan	--
Blue Max Land & Title Agency, LLC	Ohio	51%
Buckeye Bancorp Title, LLC	Ohio	51%
Buckeye State Title Agency, LLC	Ohio	51%
Clarion Title, LLC	Colorado	--
Colorado Title Alliance, LLC	Colorado	--
Commerce Park Title, LLC	Ohio	--
Commonwealth Land Title Company of Puget Sound	Virginia	50%
E. Title Agency, LLC	Ohio	51%
Elite Title Services, LLC	Michigan	51%
Elite Transaction Services, LLC	Ohio	51%
First United Title Agency, LLC	Michigan	50%
Founders Title Company	Utah	30%
Four Star Title Agency, LLC	Ohio	51%
G. R. Title Agency, LLC	Michigan	--
Grand Title Agency, LLC	Michigan	25%
Guaranty America Title, LLC	Colorado	--
HEP Title Services, LLC	Ohio	--
Homeland Transactions Services, LLC	Ohio	51%
Integrated Title Agency, LLC	Colorado	49%
Integrity First Financial Services, LLC	Florida	20%
Jones & Tatom Title & Trust, LLC	Virgin Islands	5%
Kent Title Agency of Western Michigan, LLC	Michigan	--
Kitsap County Title Agency, LLC	Washington	--
KW Title Services, LLC	Ohio	--
Land Title Associates, LLC	Virginia	40%
LandAmerica Production Center, LLC	Virginia	70%
Land Use Title Agency, LLC	Michigan	--
LandAmerica Survey Company	Virginia	100%
Landmark Title Services, LLC	Ohio	30%
LT of Southeastern Virginia, LLC	Virginia	--
M and M Title Services, LLC	Ohio	51%

Subsidiaries of LandAmerica Financial Group, Inc.

<u>LandAmerica Financial Group, Inc. (Direct subsidiaries in bold)</u>	State of Incorporation or organization	% of Direct or Indirect Ownership
Manor Title, LLC	Ohio	51%
Maple City Title Services, LLC	Ohio	51%
Macatawa Title Agency, LLC	Michigan	50%
Metropolitan Title and Escrow Company, LLC	Virginia	--
Merrill Title Company, LLC	Utah	40%
National Land Transfer of New Jersey, LLC	New Jersey	51%
New Mexico Title Company - Albuquerque, LLC	Virginia	50%
New Mexico Title Company - Barbara Loop, LLC	Virginia	50%
North Central Title Agency, LLC	Ohio	51%
Northcoast Title Services, LLC	Ohio	--
Northern Title Agency of Ohio, LLC	Ohio	51%
Oklahoma OneStop, LLC	Oklahoma	55%
Orum Stair Title Services, LLC	Ohio	--
Platinum Title Agency of Grand Rapids, LLC	Michigan	--
Pro-Am Title Services, LLC	Ohio	51
Real Estate eTax Service, LLC	Michigan	30%
Realty Reports Alliance, LLC	New York	50%
<i>Echo Home Title Agency, LLC</i>	New York	50%
<i>United Settlement, LLC</i>	New York	51%
Residential Title of Grand Rapids, LLC	Michigan	50%
River City Title Agency, LLC	Michigan	--
Secura Transaction Services, LLC	Ohio	51%
Shoreline Title Agency, LLC	Michigan	50%
Sibcy Cline Title Agency, LLC	Ohio	30%
State Transaction Services, LLC	Ohio	--
Suburban Title Services, LLC	Ohio	--
TitleWorks Title Agency, LLC	Michigan	--
TRI Title Agency, LLC	Michigan	50%
TRI Title Agency, LLC	Virginia	50%
TRI-County Title Agency-Michigan, LLC	Michigan	50%
TriStar Title Agency, LLC	Virginia	35%
Universal Title Agency of Western Michigan, LLC	Michigan	25%
US Financial Title Services, LLC	Ohio	51%
USA Title Affiliates, Inc.	Virginia	100%
<i>ABC USA Title Agency, LLC</i>	Virginia	50%
<i>Alliance National Title Agency of Virginia, LLC</i>	Virginia	40%
<i>ANSS-FL, LLC</i>	Florida	--
<i>Asset Title, LLC</i>	Virginia	--
<i>Celtic Title of Virginia, LLC</i>	Virginia	40%
<i>Closing USA Title Affiliates, LLC</i>	Florida	--
<i>CW Title Agency, LLC</i>	New Jersey	--
<i>Destiny Title of Virginia, LLC</i>	Virginia	50%
<i>HomeSafe USA Title Agency, LLC</i>	Virginia	50%
<i>M & M Title Services of Florida, LLC</i>	Florida	--
<i>Premier Title Affiliates, LLC</i>	Florida	30%
<i>TCH Title, LLC</i>	Minnesota	25%
<i>Title Affiliates of Central Florida, LLC</i>	Florida	100%
<i>Title Affiliates of Clearwater, LLC</i>	Florida	34.93%
<i>Title Affiliates of Extreme Title, LLC</i>	Florida	30%
<i>Title Affiliates of Florida, LLC</i>	Florida	30%

Subsidiaries of LandAmerica

<u>LandAmerica Financial Group, Inc. (Direct subsidiaries in bold)</u>	State of Incorporation or organization	% of Direct or Indirect Ownership
<i>Title Affiliates of Graham Group, LLC</i>	Florida	30%
<i>Title Affiliates of Greater Kissimmee, LLC</i>	Florida	30%
<i>Title Affiliates of Gulf Properties, LLC</i>	Florida	30%
<i>Title Affiliates of Indian River, LLC</i>	Florida	30%
<i>Title Affiliates of Lansing, LLC</i>	Florida	27.78%
<i>Title Affiliates of LWMB, LLC</i>	Florida	20%
<i>Title Affiliates of Naples, LLC</i>	Florida	30%
<i>Title Affiliates of Orlando South, LLC</i>	Florida	30%
<i>Title Affiliates of Orlando, LLC</i>	Florida	30%
<i>Title Affiliates of Osceola, LLC</i>	Florida	30%
<i>Title Affiliates of Oxford Settlement Services, LLC</i>	Florida	--
<i>Title Affiliates of PHL, LLC</i>	Florida	25%
<i>Title Affiliates of Polk County, LLC</i>	Florida	30%
<i>Title Affiliates of Realty PROS, LLC</i>	Florida	--
<i>Title Affiliates of South Florida, LLC</i>	Florida	30%
<i>Title Affiliates of Southwest Florida, LLC</i>	Florida	30%
<i>Title Affiliates of Sundance, LLC</i>	Florida	30%
<i>Title Affiliates of Tampa Bay, LLC</i>	Florida	30%
<i>Title Affiliates of the Gulf Coast, LLC</i>	Florida	30%
<i>Title Affiliates of the Key, LLC</i>	Florida	--
<i>Title Affiliates of the MYAKKA Valley, LLC</i>	Florida	--
<i>Title Affiliates of the Platinum Coast, LLC</i>	Florida	30%
<i>Title Affiliates of University Place, LLC</i>	Florida	--
<i>Title Affiliates of West Central Florida, LLC</i>	Florida	30%
<i>Title Affiliates of Windermere, LLC</i>	Florida	--
<i>Title Affiliates of Winter Park and Orlando</i>	Florida	30%
<i>Title Company, LLC</i>	Florida	30%
<i>Virginia USA Title Agency, LLC</i>	Virginia	--
<i>West End Title Agency, LLC</i>	Virginia	40%
West Sound Title Agency, LLC	Washington	--
Woodland Realty Title Agency, LLC	Michigan	--
World Title Agency, LLC	Michigan	--
LandAmerica Assessment Corporation	Virginia	100%
LandAmerica Commercial Appraisal Corporation	Virginia	100%
LandAmerica Commercial Search Services Company	Virginia	100%
Data Trace Information Services, LLC	Delaware	20%
Data Trace Information Services II, LLC	Delaware	20%
LandAmerica Exchange Company	Maryland	100%
Building Exchange Company	Virginia	100%
<i>Arden Echelon Partners, LLC</i>	New Jersey	100%
<i>Bayside Partners IV, LLC</i>	Michigan	100%
CWLT Roseland Exchange, LLC	New Jersey	100%
Glenville, LLC	Delaware	100%
LAEC, LLC	Ohio	100%
Landam Construction Exchange Company	Virginia	100%
OTV Construction Exchange, LLC	Missouri	100%
LandAmerica Insurance Agency, Inc.	Virginia	100%
LEISA of Connecticut, Inc.	Connecticut	100%

Subsidiaries of LandAmerica Financial Group, Inc.

<u>LandAmerica Financial Group, Inc. (Direct subsidiaries in bold)</u>	State of Incorporation or organization	% of Direct or Indirect Ownership
LandAmerica OneStop, Inc.	Virginia	100%
EAppraiseIT, LLC	Delaware	20%
Realitics, LLC	Georgia	50%
LandMDA, LLC	Virginia	50%
Lawyers Title Insurance Corporation	Virginia	100%
American Title Group, Inc.	Texas	100%
<i>LandAmerica American Title Company</i>	Texas	100%
<i>LandAmerica Austin Title Company</i>	Texas	100%
<i>LandAmerica Lawyers Title of San Antonio, Inc.</i>	Texas	100%
<i>LandAmerica Texas Title Company</i>	Texas	100%
Atlanta Title Company	Georgia	100%
Bankers Alliance Title Agency, LLC	Ohio	51%
Biltmore Abstract Limited Partnership	Pennsylvania	49.95%
Builders Disbursement Services, Inc.	Virginia	100%
CFS Title Insurance Agency, LLC	Virginia	50%
Charleston Title Agency, LLC	Ohio	51%
Chatham Settlement, LP	Pennsylvania	49.95%
Commerce Title Guaranty Co.	Tennessee	100%
First Stable Properties, Inc.	Virginia	100%
First Title & Escrow Company, Inc.	Tennessee	51%
Global Corporate Services, Inc.	Virginia	100%
Guarantee Title Co., Inc.	Kansas	100%
J-Fly, LLC	Virginia	70%
Land Canada Limited	Canada	51%
LandAmerica Charter Title Company	Virginia	100%
<i>Charter Title/Sugarland, Ltd.</i>	Texas	80%
<i>Charter Title Company - Galveston, LLC</i>	Texas	100%
Harbour Title Company	Texas	50%
LandAmerica Lawyers Title of Amarillo, Inc.	Texas	100%
LandAmerica Lawyers Title of El Paso, Inc.	Virginia	100%
LandAmerica Lawyers Title of Roswell, Inc.	New Mexico	100%
LandAmerica New Mexico Title Company	New Mexico	100%
LandAmerica Wilson Title Company	Texas	100%
Lawyers Holding Corporation	Virginia	100%
<i>Biltmore Abstract, LLC</i>	Pennsylvania	50%
<i>Chatham Abstract, LLC</i>	Pennsylvania	50%
<i>CTC-LTIC, Inc.</i>	Maine	100%
<i>Lion Abstract, LLC</i>	Pennsylvania	50%
<i>Louisville Title Agency of Central Ohio, Inc.</i>	Ohio	100%
<i>Oakton Title, Inc.</i>	Virginia	100%
Lawyers Title Canada Corporation	Canada	100%
Lawyers Title Company	California	100%
<i>California Land Title Company</i>	California	100%
<i>Continental Land Title Company</i>	California	100%
<i>LandAmerica Default Services Company</i>	California	100%
<i>LTC Exchange Company</i>	California	100%
<i>LandAmerica Account Servicing, Inc.</i>	Arizona	100%
<i>Lawyers Title of Arizona, Inc.</i>	Arizona	100%
<i>Lawyers Title of Nevada, Inc.</i>	Nevada	100%

Subsidiaries of LandAmerica Financial Group, Inc.

	State of Incorporation or organization	% of Direct or Indirect Ownership
LandAmerica Financial Group, Inc. (Direct subsidiaries in bold)		
Lawyers Title of Pueblo, Inc.	Colorado	100%
Lawyers Title Realty Services, Inc.	Virginia	100%
Lawyers Title Settlement Company, LLC	Virginia	50%
Lion Abstract Limited Partnership	Pennsylvania	49.95%
LTTM, Inc. (f/k/a Ten Mile Title, Inc.)	Colorado	100%
LTIC Alliance, LLC	Ohio	100%
<i>HL Title Agency, LLC</i>	Ohio	51%
M/I Title Agency, Ltd.	Ohio	10%
Memhis, TN Joint Plant, LLC	Ohio	33.33%
Performance Tax Services, Inc.	Texas	100%
Property Title Insurance Corporation	Puerto Rico	100%
<i>APEX Title Insurance Corporation</i>	Puerto Rico	100%
RE/Affirm Title Agency, LLC	Ohio	51%
Real Estate Title Company, Incorporated	Maryland	100%
The Indianapolis Joint Plant Partnership	Indiana	33.33%
The Title Guarantee & Trust Company	Ohio	100%
Title Investors Group, Inc.	Texas	100%
<i>Land Title Insurance Company</i>	California	100%
<i>Title Insurance Company of America</i>	Tennessee	100%
Mid-South Title Corporation	Tennessee	100%
Rutherford County Title Insurance Co.	Tennessee	100%
TransOhio Residential Title Agency Ltd.	Ohio	20%
University Title Services, LLC	Florida	25%
LERETA Corp.	California	100%
Orange County Bancorp	California	100%
Centennial Bank	California	100%
Palmaa, LaZar and Ulsh, LP	Pennsylvania	40%
Southland Acquisition Corporation	California	100%
Transnation Title Insurance Company	Arizona	100%
American Title Company of Livingston	Michigan	100%
Escrow Support Network	California	100%
Gateway Title Company	California	100%
Land Title Agency, Inc.	New Jersey	100%
Portland Title Agency, LLC	Oregon	100%
TransAccount Services, Inc.	Washington	100%
Transnation Title & Escrow, Inc.	Delaware	100%
Transnation Title Insurance Company of New York	New York	100%
<i>AgencyPartnersUSA, LLC</i>	New York	20%
Title Transfer Services, Inc.	Colorado	100%
Xenia Property Company	Pennsylvania	100%

As of 12/31/03, revised 2/12/04



Title Insurance Company of America
101 Gateway Centre Parkway
Richmond, VA 23235
Phone: 804-267-8000
www.landam.com

RECEIVED

November 24, 2004

NOV 29 2004

Dept. Of Commerce & Insurance
Company Examinations

Don Spann, CFE
Insurance Examination Director
Tennessee Department of Commerce and Insurance
500 James Robinson Parkway
Nashville, Tennessee 37243

Re: Financial Condition Examination of Title Insurance Company of America
Made as of December 31, 2003

Dear Mr. Spann:

I am responding to the Comments and Recommendations section of the Report of Examination:

Comments 1&2

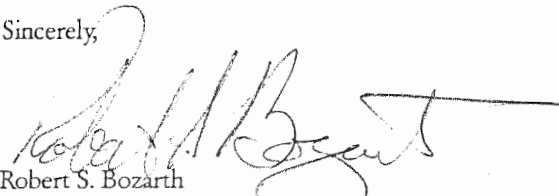
The vacancies on the Board of Directors caused by the resignation of G. Bickford Shaw, and later by the resignations of W. Riker Purcell and David D. Ginger are scheduled to be filled on November 29th by elections of the Board. The Board will also bring the Internal Risk Committee into compliance with the bylaws.

Recommendations

Title Insurance Company of America agrees to submit affiliate agreements for approval in compliance with Tenn. Code Ann. §56-11-206(a)(2).

Title Insurance Company of America agrees with the auditor's determinations in items (a) - (e) and (g) - (j) and has made the appropriate corrections. As to Item (f) NAIC crosschecks in our Annual Statement software require that the sum of the "inside" amounts on line 5 equal the total amount in column three of line five. If the recommended adjustment were made this crosscheck would no longer work.

Sincerely,


Robert S. Bozarth
Vice President and Corporate Counsel

RBOZARTH@LANDAM.COM
PHONE: (804) 267-8037 • FAX: (804) 267-8827

